



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0196	Title:	Generally revise laws related to tribal colleges and other community colleges
Primary Sponsor:	Webber, Susan	Status:	As Amended in House Committee

- | | | |
|---|--|---|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input checked="" type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$84,939	\$84,939	\$86,638	\$86,638
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$84,939)</u>	<u>(\$84,939)</u>	<u>(\$86,638)</u>	<u>(\$86,638)</u>

Description of fiscal impact: HB 196 increases reimbursements to tribally controlled community colleges for Montana resident non-beneficiary (nontribal students) to an amount not less than \$3,280 from the current maximum of \$3,024 per resident non-beneficiary student. It also provides for an automatic inflation factor to the baseline amount of \$3,280 for subsequent biennia.

FISCAL ANALYSIS

Assumptions:

1. The amount available for reimbursement to tribally controlled community colleges is limited by the line item appropriation from the legislature in HB 2.
2. Resident, non-beneficiary (nontribal) student FTE is projected to be 331.83 for fiscal years 2016-2019. At the new amount set in HB 196, the total reimbursements would be projected to be \$1,088,402 (\$3,280 x 331.83).

3. The executive budget request for the tribal college line item appropriation is \$1,003,463 in each fiscal year of the 2017 biennium (state fiscal years 2016 and 2017). The additional funding needed to fully fund the minimum amount required by HB 196 is \$84,939 (\$1,088,402-\$1,003,463). A two-percent inflation factor is assumed for payments in state fiscal years 2018 and 2019.

4. In state fiscal years 2016 and 2017, the budget request will support reimbursements of 305.93 nontribal FTE.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	\$84,939	\$84,939	\$86,638	\$86,638
TOTAL Expenditures	\$84,939	\$84,939	\$86,638	\$86,638
<u>Funding of Expenditures:</u>				
General Fund (01)	\$84,939	\$84,939	\$86,638	\$86,638
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$84,939	\$84,939	\$86,638	\$86,638
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$84,939)	(\$84,939)	(\$86,638)	(\$86,638)

Technical Notes:

- HB 196 sets a minimum amount that must be paid to the tribal colleges for resident nontribal students and, at the same time, it limits the amount of the reimbursement to the line item appropriation from the legislature. A potential conflict would arise in years when more resident nontribal students are eligible for the minimum reimbursement than the line appropriation can support.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date